

**PATIENT'S COMPENSATION FUND –  
SURCHARGE RATES FOR HOSPITALS AND PHYSICIANS**

This bulletin is directed to all health care providers electing to be qualified under Indiana's Medical Malpractice Act (IC 34-18-1-1 *et seq.*) and to insurers that provide coverage to those health care providers. Bulletin 91 and Bulletin 101 are withdrawn and replaced by this Bulletin 120.

Pursuant to IC 34-18-5-2, the Commissioner of the Department of Insurance in her capacity as administrator of the Patient's Compensation Fund hereby notifies physicians and hospitals of the following surcharge for qualification under the Medical Malpractice Act. The rates are the result of a detailed actuarial review and are effective for coverage beginning **August 15, 2003**. While these increases are significant, the surcharge rates have not been increased since July 1, 1999, and the Commissioner feels it is necessary to implement these new rates on August 15, 2003. Directions for implementing the surcharge on the effective date will appear on the Department's website ([www.in.gov/idoi](http://www.in.gov/idoi)) beginning August 11, 2003.

**PHYSICIANS**

The percentage increase to the physician rates is the same for each specialty class. A complete list of physician specialty class codes is published at 760 IAC 1-60.

CLASS	ANNUAL RATE
0	\$2,334
1	3,112
2	4,357
3	5,602
4	7,002
5	9,336
6	14,004
7	21,784
8	26,452

**HOSPITALS**

The surcharge for a hospital is calculated using the attached worksheet. The completed worksheet shall be submitted to the Department along with the surcharge payment.

INDIANA DEPARTMENT OF INSURANCE

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Sally McCarty, Commissioner

## HOSPITAL EXPOSURE WORKSHEET FOR SURCHARGE CALCULATION

Name of Hospital: \_\_\_\_\_

License No: \_\_\_\_\_

List all facilities and/or services operated under the hospital license (as identified on the Department of Health Application for License to Operate a Hospital):

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

CATEGORY	EXPOSURE	MANUAL	TOTAL
Provide # of Beds			Category x Manual=Total
	Hospital (Acute care and Intensive Care)	523.00	
	Mental Health/Rehabilitation	262.00	
	Extended Care/Intermediate Care/Residential	26.00	
	Nursing Home/Critical Extended Care	262.00	
	Health Institution/Assisted Living/Other	105.00	
	Bassinets	523.00	
# of Visits (in 100s)			
	Emergency Room	52.30	
	Clinics/Others	26.15	
	Mental Health/Rehabilitation	13.08	
	Health Institution	10.46	
	Home Health Care	26.15	
Provide # of Surgeries/Births (in 100s)			
	Births	2,092.00	
	Outpatient Surgeries	52.30	
	Inpatient Surgeries	1,046.00	
Employed Physicians Sharing Limits	50% of Specialty Class Code		
		<b>SUB-TOTAL</b>	
	Lack of Risk Management Program	10% Penalty x sub-total	
	Hospital with > 500 beds	3% multiplier of subtotal	
		<b>TOTAL DUE</b>	